

MINUTES
ALABAMA FORESTRY COMMISSION
January 18, 2017

PRESIDING – Jerry Dwyer, Chairman

SECRETARY – Gary Cole, Interim State Forester

COMMISSIONERS PRESENT – Jerry Dwyer, Jane Russell, Tommy Thompson, Salem Saloom, Stephen May, Robert Turner and Katrenia Kier.

ALABAMA FORESTRY COMMISSION PERSONNEL PRESENT – Gary Cole, Dan Jackson, Scott Rouse, Arthur Hitt, Terry Ezzell, Hank McKinley, Jason Dockery, Bruce Springer, Benji Elmore, Ryan Holland, Becky Jackson, John Goff, Brandy Sponsler, Mike Kyser, and Regina Miller.

GUESTS – Sam Duvall, Rick Oates, Charles H. Jackson, Nicholas Granger, Jeremy Lowery, Chris Cotton. Granger, Lowery and Cotton were attending the meeting as citizens on his own time, not as employees of the Commission.

Chairman Dwyer announced that Katrenia Kier was on her way to the meeting and would be a few minutes late. He stated that we would delay the meeting until she arrived.

MEETING CALLED TO ORDER – Chairman Dwyer called this regular meeting of the Alabama Forestry Commission (AFC) to order at 10:14 a.m. on January 18, 2017 in the Alabama Forestry Commission's State Office located at 513 Madison Avenue, Montgomery, AL 36104. Robert Turner gave the invocation.

Regina Miller called roll and announced that a quorum was present. Miller then announced that the meeting had been properly advertised.

MINUTES OF THE SEPTEMBER 13, 2016 MEETING – **MOTION #2017-01: Tommy Thompson made a motion to approve the minutes of the September 13, 2016 meeting. Robert Turner seconded the motion and the motion passed by unanimous vote in favor of the motion.**

NOMINATING COMMITTEE REPORT FOR THE ELECTION OF OFFICERS – Steve May reported for the nominating committee composed of himself and Robert Turner and made **MOTION #2017-02 to elect Jerry Dwyer as chairman and Jane Russell as vice-chairman for 2017 due to the crisis the agency is currently experiencing and to provide continuity for the problems we now have. Katrenia Kier seconded the motion and the motion passed by unanimous vote in favor of the motion.** May thanked Commissioners for their vote of confidence and stated that he and Russell will decide which commissioner will need to step aside in the future in accordance with the customary rotation of officers.

BUDGET UPDATE: Interim State Forester Gary Cole stated that shortly after he began working in late September it was discovered that we had a problem with the budget and we have been working to determine how much money we have ever since. He said that is difficult to sort through and figure out where we are, what has transpired in the past, and determine where we are today. He reported that we are now at a deficit for 2017. Cole explained that we are working to make up the deficit but at the same time trying to get our numbers in order so that we feel fairly sure that what we decide is accurate. He said there is a problem in the revenue stream this year and we have cut off all spending more or less. He further stated that we did spend a lot of money in the first three months of the fiscal year because of the necessity in fighting all the wildfires which was unavoidable. Cole said we have stopped spending on everything that is non-essential and that we must do so until we know all the necessary information and it looks like we will have to go further into the year. He explained that we are also working to meet federal

grant matching requirements so we can draw down those funds for this fiscal year. Acreage assessment is also down for this year and we are investigating the reason. He explained that the 2017 budget is built on one-time monies. The Governor gave us \$690,00 and in the end we had \$326,00 in carryover money and \$180,000 that we can use from our Emergency Fire Fund. We have had to work around a lot of problems early in the year; with state government you have to have some funds to start the first of the year and this will be a problem in 2018 that Commissioners will have to address. He stated that his concern has been to keep everyone on the payroll and do what we need to for 2017. He stated that he will not be in the job much longer but that we need to go ahead and work on some funding through the Legislature going into session which starts in about three weeks. We need to start working on the 2018 budget. It has taken a while to unravel some things that have occurred in the past and see where we are but it is not a hopeless situation. The fewer employees we have the less we will be able to do and we currently have 241 employees. It is critical now to maintain the number of employees we have or hopefully increase the number of employees. When we work on grants, we will be asking employees to do certain jobs so we can earn that money and have it in our budget for operations. He said the funding issue for next year needs to be addressed.

Saloom asked where money comes from to fund natural disasters. Is there a state fund separate from our agency that provides assistance? Cole replied that the Governor has discretionary monies and that is where the \$690,000 came from. He said that the Governor's office has been good to us and we are very grateful. May explained that the Governor declares a natural disaster for the entire state and/or certain counties and then appeals to the Federal Emergency Management Agency (FEMA) through the Emergency Management Agency (EMA) in Alabama who will appeal to the regional office in Atlanta, who then appeals to the President to obtain natural disaster funds for these situations. Saloom then asked if there are other funds in Alabama that could be utilized for wildfire disaster through the State instead of using our agency funds. Rouse explained that the Governor's funds being referred to is not designated for natural disaster funding; he believes it is called an agency emergency fund so it encompasses a wide range of issues not only disaster funds. In past years there have been funds provided for items such as providing immunizations and the Department of Mental Health received those funds. Saloom asked if the Legislature could do something proactively in the future to possibly help mitigate our expenses for wildfires. Cole said there is \$771,00 in the Emergency Fire Fund but because of the legal language we could only obtain this year's appropriation which was \$180,00. We have received the funds in the past but no one knows how that was accomplished. Cole stated that the Finance Director's office has offered to help us get that language changed (along with Rouse) by using only one or two words. Rouse said it should be simple to fix and we are already working to change the wording in future budget language. Cole said we will have to get that language changed because we cannot plan for fires. He said we estimated that we spent a little over \$1.1 million on the fall wildfires.

Accounting Manager Becky Jackson referred to the financial information in Commissioner's packets saying that we started with \$6.5 million in 2016. Jackson stated that the difference is that 2015 paid invoices were actually paid in fiscal year 2016 and those funds came out of our FY 2016 cash balance. They were not segregated when we made our purchases. A lot of funds we spent were for equipment that we purchased, it was not completed to our specifications or not delivered until we were in FY 2016 so invoices were paid from FY 2016 funds. The FY 2015 capital projects appropriation in the amount of \$650,000 was tied to another appropriation at that time. Additionally, we did not collect the revenues we expected to collect in 2016. We overspent 2016's expenditures by roughly \$3.35 million. Therefore, from \$6.5 million we spent down to \$326,282 which was the ending cash balance for 2016.

Cole mentioned that the budgeting process has changed since he has retired; regions and divisions built their budgets from the ground up when he was working. If total expenditures were more than our revenues, budgets were sent back to the regions and divisions with instructions to adjust our budget.

Jackson built budgets based on the budget for the previous year's expenditures. For example, in

FY 2014, the agency overspent our budget and Jackson based FY 2015's budget on FY 2014's budget and that included over expenditures. Then, if we overspent in FY 2015, the budget in FY 2016 was based on two years of over expenditures. The expenditure part of the budget versus the revenue part of the budget kept growing. What we have been trying to do since I have been here is try to match the revenue stream with the expenditures. In the past, the agency would not have had to necessarily do that because we had \$6.5 million in our savings account. The agency has been drawing from that \$6.5 million until now and it is actually now \$326,000 and next year it will be zero. There will not be any carryover money from this year into next year because there is no extra money. He said that he found that all expenses were not equipment. About \$3.8 million in about a 2.5-year period is for equipment and includes new equipment and the dozers that had been screened and upgraded which averaged from \$38,000 to \$70,000 - \$80,000 to refurbish and put into operation. It is a combination of those things and somewhere in the budget there were some expenditures probably above normal in other things but I have not had an opportunity to track it down which might be travel, uniforms and things like that. The best we can tell, we had about \$6.5 million and was spent down to \$326,000. Thompson stated that in industry budgets are built starting with a zero-based budget and build from there. He stated that he strongly supports doing that. Thompson questioned the shortfall in federal grants with over \$3 million in one account alone. If that is added to the accounts in the County Forestry Collection revenues, there is another \$1.3 million dollars there. With those two combinations in the budget there is \$5 million. He asked if we pumped these numbers up to balance the budget. We always balance between the annual budget and the revenue streams. He again asked if we increased these numbers. Cole stated that he was unsure of what Thompson was referring to. Thompson explained that he was looking back at the August Revenue Obligation Summaries and looking at the budget numbers. In the Federal Reimbursement and Grants it shows \$7,116,000 and below that is County Forestry Collections and Assessments listed as \$3,148,000. Then look at our spreadsheet, for County Assessments actual versus what is on the sheet we actually only brought in \$1,780,000 in FY 2016 and \$3,543,000 federal grant reimbursements. So were these the funds that were elevated to balance the budget? Thompson said he did not understand what happened. Cole said there are two things to be considered; one is called the authority to spend which is the budget that Commissioners usually get. What we will give you in the future is actual revenue and actual expenditures. At one time the Forestry Commission had more money than we had the authority to spend. That was over twenty years ago. It was then changed where the authority was higher so if we received revenues we would be able to spend the money. When you mentioned the \$7 million, that was probably the authority to spend and not the actual amount. The actual amount in 2016 was \$3.5 million. Cole explained that during the OIG Audit the Forest Service cut off all our grant funding in 2012. The Forest Service was actually holding our money and then released it to us when the audit was completed. Cole stated that \$3.5 million is the estimate in grant funding we can receive this year. A grant team has been formed to explore the grant funds that we can possibly earn. Hopefully, another \$750,000 can be obtained which will be an increase from the deficit. He said we have grant funds to earn from 2014 – 2017 grants. If we can obtain all of 2015 and half of the 2016 grants that will hopefully be \$750,000. He further explained that to earn these funds the agency must match it with personnel hours. Cole said that all the grant administrators met and discussed their needs for grants. There has been a disconnect between them and the field and we have given the field instructions to earn (match) the funds that have not been earned at this time. May asked what we can gain by the end of August. Cole said he felt realistically we could earn \$750,000 from the grants. He also said that with Commissioners permission we will increase timber sales. David Kelly who handles timber sales has said that we realistically could make \$300,000. We will find more timber to cut if the Commission approves, which could provide another increase of \$350,000-\$450,000. He shared that when talking with the Finance Director there is a problem with our accounting or our collection of acreage assessments and said and that is the \$2.5 million to \$1.7 million. We do not know if there is any money there but we need to find out if it is in our system or we have not found it or if someone owes us that money. He stated that it would be hard to believe that we are owed \$750,000 and do not know it. Cole answered May by saying that he thought we can possibly gain \$1.5 million by the end of August. May asked where we will be late in the fiscal year with Cole replied that based on what we see at this point, at a \$2.9 million deficit.

Cole stated that we are short \$1.5 million. May stated that it will be worse in 2018 and Cole replied that is will unless we can obtain additional revenues. Cole said that conversations have begun with AFA and ALFA regarding how they would be willing to help us with our funding. He said that at some point an increase in acreage assessment will be discussed and we will be unable to get any legislation passed without the help of our partners and it will depend on the belief that it has merit. Our partners have been very helpful thus far.

He stated that our employees prescribe burned \$966,000 worth of acreage last year which was a record. With reduced manpower and the rainy weather in February we will not have the ability to earn as much money. If burning profits goes down, the budget goes down. We have to have enough money to run the agency.

At this point, Cole said that we will probably be a million or so short this year. Cole said he asked the Finance Director what happens if a state agency goes broke. May said that according to state law an agency cannot go broke. Cole said the Finance Director did not want to say. He said the intention is to ask for a special appropriation for FY2017 to get through this year. Thompson asked what our losses are in the headcount. Cole responded that the positions are in the field and we are expecting to lose two or three more employees in the field. Thompson asked if we have you challenged field personnel to create a zero based budget and asked where that stands. Cole said that regions submitted their budgets and they have been adjusted and will be sent back to the field asking if they can operate on those amounts. Thompson stated that he would like to see the regions challenged to recover \$1.5 million. He said if we are going to have budget cuts, the best way to do so is to involve the people who are going to be affected by the cuts. That way they are part of the process of setting the budget; it did not come from Montgomery to the field. We need to approach the budget from what we need to have and not what we want to have. May emphasized the urgency of doing something immediately to improve our budget. Thompson said this needs to be done now because we are three quarters into the year. May questioned Cole about getting some numbers to the finance director so he could see how desperate our situation is. Cole said that the finance director told him that he did not think we have done our part yet. Cole said that in 2009 or 2010 we cut 83 positions in the agency. We are also down from 255 to 244 in employees since he had retired. Cole said the finance director is looking for a good faith effort from us to say we are willing to do some things to help ourselves. Thompson said the more we explain why to the field, the better the buy-in and understanding changes as we move forward. May said that if we do not make changes to fix the problem, someone is going to lose their job. Cole said that eighty percent of our budget is personnel and twenty percent is operations.

Cole said if we come up short it has to translate into loss of personnel. Thompson said he understood and that is his point of having the field involved because they know what the stakes are. Saloom suggested talking to the field and getting some ideas from them and discussing in terms of what we can cut out and do less to save money and on the other hand what can we do to make money. He went on to say that he knew we are doing prescribe burning but we are not doing a lot of growing season burns. If we can talk to landowners who have established larger timber that has had some fire in it and can utilize growing season burns, landowners can see the benefit. He went on to say that is one thing that the commission has not promoted. Saloom said that while we are promoting cutting timber we also need to promote good silvaculture practices when we are cutting timber. Another issue is the market is low for pulp wood and it is about to drop again. Cole said that we will ask for guidance from Commissioners as to what you want done. He said that the only timber we would cut would be timber that would be ready to cut and pointed out that this would be a one-time fix. We always implement silvaculture practices after a cut.

Cole went on to discuss a tower site in Mobile County that is not being used and we just cut 20 acres of timber from the site that brought in \$20,000.00. There is cogongrass on the site and we will have to do site prep on the site. The tower was removed about 3 or 4 years ago so we have no use for the site. This

has been discussed in the past when Commissioner Don Heath asked that we not sell the property because he thought the property would be more valuable in the future. Time has gone by and we need to put \$300.00 to \$400.00 an acre back into the property or sell the land and make whatever income we can. May clarified with Cole that he was asking approval to explore the possibility of selling lands where it might provide revenue for the agency. Cole agreed and said that he is expecting recommendations from Commissioners; what would you like for us to pursue. He stated that we are in survival mode and said that we will probably have to make specific assignments for employees to work on matching grants. Dwyer stated that all our efforts are compounded by the fact that we have low employee numbers, large comp time balances, and we have the fire season coming soon. Dwyer stated that prescribed burning will be compacted by the weather and the amount of people we can have working in the field. Thompson said that we need to assess properties and decide if we want to sell and why. Kier emphasized that selling the land is a one-time fix and we need to think out of the box about the future and asked what the grants we are trying to match are for. Cole replied that we have standard grants that we obtain from the U.S. Forest Service with them paying us to do what they would normally do. Examples of grants we receive are used to extinguish fires, educate citizens about fire, Southern Pine Beetle control, and Stewardship. He stated that all these things are practices that the Forest Service would normally do but they hire us to do them. The \$3.5 million is funds the Forest Service has allotted to Alabama and the amount varies from state to state. Cole said we must match these grants with manpower. Kier mentioned there might be innovative ways to earn money. Saloom questioned if the agency could benefit from conservation easements.

May expressed the urgency of generating revenue to save jobs. Kier suggested sponsoring events at Little River where we can generate funds.

Cole said for FY 2017 there needs to be a funding solution sometime in the next two months for it to make a difference this year. Robert Turner asked what we are going to do to solve the problem for FY 2018. May said that he believes we need to talk to the Alabama Farmers Federation (ALFA) and Alabama Forestry Association (AFA) and ask for their assistance in getting some laws passed to help generate funds to help run the agency. Turner commented that we need to meet again after obtaining feedback from the field and then make recommendations. He said that we have not given field people the opportunity to say what they are willing to do. May pointed out that Cole has a deadline in having to respond to the Finance Director. Cole said that he can give him what he is asking for but that Commissioners will need to make some decisions. Turner commented that putting it on paper is fine, but are we going to be able to deliver. May clarified by asking if we can deliver in a timely manner. Cole said that he agreed and it will depend on employees; what sacrifices they are willing to make and what they are willing to do to help out. He said that he thinks everyone will do whatever is necessary. He said he thinks there are two different situations – we must survive 2017 to get to 2018. He said there is about \$1.2 million in the FY 2017 budget that will not be in the FY 2018 budget so that will need to be replaced plus the shortfall in FY 2018. There must be revenue to maintain what we have. He said that if we lose many more employees it will be extremely hard to carry out the mission of the agency. He said that firefighting is evident but the other things we do will suffer.

Mrs. Kier brought up the need for a relevant strategic plan. She expressed the need to project a more positive future for our employees with the agency. She suggested that we develop a significant strategic plan to entice prospective employees as well as retain agency employees. We need to develop a committee to talk about what we need to do. Thompson asked if anyone had taken the time to look at the agency's Strategic Plan that was updated June 18, 2016. He reminded Commissioners that they decided to put the plan on hold at that time until we hired a new state forester. He agreed with Kier saying that we cannot function unless we have a plan saying how we are going from Point A to Point B. Kier asked if the plan contained anything to bring in new revenue. Thompson challenged Commissioners to do their homework on this too. Russell said she agreed with what was said today but it puts Gary in a bad position because all of you are right but we have an emergency and we need to give some kind of leeway to move forward to find the money we need. She stated she totally agreed with everyone but said we do

have a big problem. We need to give Cole an immediate answer and permission to seek money. She agreed that we need to show more what the Forestry Commission actually does. Thompson stated that grants and timber sales have been discussed and asked if that is estimated at another \$1.5 million in FY 2017. He stated that we will need another \$1.5 million to make it through 2017. Saloom clarified that Cole is asking for approval from Commissioners to have discussions with the Alabama Farmers Federation and the Alabama Forestry Association and other partners to help the Commission obtain an increase in appropriations for FY 2017. Cole replied that it would be for a special appropriation. Cole said he did not understand how you do not reward people who have done an outstanding job as our employees did with the fire situation last fall. **MOTION #2017-03: Saloom made a motion to give Cole permission to move forward with discussion with the partners mentioned and that we work to obtain legislation from the Legislature to obtain an emergency special appropriation for FY 2017. Turner seconded the motion. Cole asked Commissioners to participate in whatever way they can to assist in our efforts. Discussion followed with Cole saying he intends to ask the Legislature for a specific dollar amount of \$1.5 million. Vote was unanimous in favor of the motion. Cole clarified that we will only cut timber that is mature and for a management perspective not just to obtain revenue. Dwyer said that we need to move the target amount up to \$750,000 with Saloom saying that would be a mistake to place a dollar amount on the projection of timber to be cut because we would not be cutting for the right reason.**

MOTION #2017-04: Thompson then made a motion to give Cole permission to work with the field to accelerate the harvest schedule of mature timber in management plans on appropriate state forest lands. May seconded the motion. Saloom said he would like to see reforestation costs go into next year's budget because we will not be reforesting this year. We need to be sure that those lands are reforested correctly. Cole assured Commissioners that they will. He said that is why you build a budget from the ground up and plan ahead. He said that we will work with B. Jackson to ensure that a percentage of timber sales are allocated for reforestation. Vote was unanimous in favor of the motion.

Cole told Commissioners that we have a fire tower site on Celeste Road in Mobile. He said at one time we owned 30 acres at this site but we gave 10 acres to the Turnerville Water System and to a fire department. He said the fire department had the tower removed six or seven years ago. Cole asked Commissioners what they wanted to do regarding this 20-acre site after the timber is cut. Commissioners decided they needed further information prior to making a decision.

Discussion followed with Rouse saying there are a lot of underutilized tower sites around the state and said that some have old towers with communications devices and that others are not being used. He suggested that we explore what could be done with these properties. Rouse explained that conservation easement on sites that have a reversionary clause could possibly be pursued. Saloom recommended investigating if conservation easements can be handled through the Commission and if we would benefit.

With regard to selling our property, May advised that Cole to let Commissioners know if money is needed to save the agency in FY 2017 and Cole agreed.

Dwyer said that regarding the budget, having high comp time numbers will inhibit our ability to work on federal grants to draw the grant funds down, complete other management work as well as the weather possibly being a factor. Cole said that our obligation for employee comp time is somewhere between a half million to one million dollars. Cole explained that makes a difference in the long run because employees cannot be off and be doing the work we need them to do. The other issue is when employees leave the agency, we must pay them for their comp time if they have accrued over 480 hours. He then asked Sponsler to provide an update. She stated that he was correct, there is about a quarter of a million dollars that we would be required to pay out with 15,000 hours accrued by employees. Cole said he has a concern about those hours with the Spring fire season coming up and then more and more comp time is accrued. Goff stated that with the Emergency Management Agency (EMA) as employees

leave state service they lose their comp time. May asked is this was an agency decision and D. Jackson stated that it is. Sponsler said that non-exempt employees (our field employees for the most part) must be paid for their comp hours due to federal guidelines. Thompson commented that the comp numbers are down by 200,000 since December 2016, when the total was 964,000 hours. Sponsler said part of the lower number was also long-term employees taking off excess leave. Thompson said that is good challenge to the field is managing that comp time.

VOLUNTEER FIRE DEPARTMENT REGULATIONS – Rouse stated there is a draft of the Certification and Decertification of Volunteer Fire Departments in Commissioner's packets. He said at the prompting of our volunteer fire department partners, we pursued amending the statute during the during the last legislative session. We updated the equipment and standards to be more in line with what is required now for ISO ratings. A provision that allows a volunteer fire department to be decertified was also included. For many years we had the ability to certify departments but not remove that certification is a volunteer fire department ceased to function. Our partners approached us regarding the ability to decertify a department because it can cause problems locally when you have a defunct department that can access local revenues and create other issues. We got that bill passed through the Legislature with a lot of help and built a lot of relationships. It is now in effect. Part of the statute gives us regulatory authority to establish a process for certification and decertification of volunteer fire departments which is what you have in front of you. He explained that he began working on this last summer with Greg Wood and received a lot of input from the volunteer fire departments and the Rural Community Fire Protection Steering Committee (RCFP.) The RCFP has approved these regulations and now your approval is needed and it will then go to the Legislative Reference Service to start the APA process. The deadline for submission for the publication is this Friday. If submit them by Friday, the regulations should be effective by mid-March. The county associations remain a big part of this process regarding certification and decertification.

May stated his concern that Greg Wood, our contact with volunteer fire departments is not at this meeting (May reminded Rouse that they had discussed his presence at Commission meetings where business would be discussed regarding volunteer fire departments) and asked if is Wood is alright with this. Rouse stated that Wood is in agreement and had worked equally on this legislation. May stated that he would appreciate if there is any discussion regarding volunteer fire departments that Greg Wood be present at Commission meetings. Rouse agreed.

MOTION #2017-05: May made a motion to accept the statute as presented and for Rouse to move forward to complete the process. Saloom seconded the motion. Kier said she needed clarity and asked why this document is necessary. Rouse explained that the statute that was amended at the last Legislative session gives us regulatory authority to set up a process for certification and decertification of volunteer fire departments which is a major change from the past. Because this is regulations, the Commission must approve the statute. May stated that this change gives us the authority to decertify a volunteer fire department. Charles Jackson, Vice Chairman of the Rural Community Fire Protection Institute Steering Committee spoke saying they have worked on this statute since day one. He explained that every county in the state has a problem not just the small counties. Jackson said there are about 1,050 volunteer fire departments in the state and about 900 of those are doing their jobs but there are a percentage in each county receiving sales tax and cigarette revenues and they are not responding at all. He said It is a service issue not a money issue. We have a partnership with forestry and we need forestry to help us decertify those fire departments so they can stop receiving money or we can put someone in to take over a department. May stated that the fire season in North Alabama would have been a nightmare if the volunteer fire departments had not helped us. Cole elaborated that the governor is assisting the departments with additional grant funds because they spent so much of their money. Turner said that it was brought to his attention they did a great job but sometimes when they got to the scene they did not know who was in charge which means that they were just doing things and not following the directions of the commander. They need training to let them know they need to

follow who is in charge. Chief Jackson said that he fully concurred and stated that is what is built in the law. It specifically says instead of just having 9 or 10 men in a truck they have got to have training. The staff at the Alabama Firefighters Association was in full concurrence that if Forestry was going to accept this responsibility that we were going to have to accept the responsibility as volunteer fire fighters to reach a certain level of qualification to be able to put fires out. He stated they are addressing that issue. With no further discussion the vote in favor of the motion was unanimous.

DISPATCH CENTER UPDATE – Protection Division Director John Goff addressed the focus of the \$60,000 grant that Thompson requested be redirected at the previous meeting. The grant would provide tracking that would tie into our CAD system. With this grant project we would need to purchase equipment instead of using employee time as a match. The major cost would be the tracking software and most of that amount would be the cost of licensing. Goff pointed out that first the agency would need to replace our handheld radios which are no longer supported by Kenwood. He stated that many of our radios are up to fifteen years old and need to be replaced with the newer version. He proposed that we move forward with the testing at no cost and then modify the grant to purchase new handheld radios and then pursue additional grant funds when the LSR grants are available next year. Goff clarified that most of the cost would be used to purchase new handheld radios. Kier asked if we can service other entities and possibly obtain more funding. Cole stated that we would be the only agency using the system being discussed. He said that the Emergency Management Agency might be interested. May asked if we are still dependent on Alabama Public Television (APT) and Brad Smith replied that we are. Goff mentioned that part of this year's grant was to purchase cradle points which have Verizon and AT&T wireless internet and then we would be independent of APT. Smith stated he would like to keep APT as a third backup.

At 12:11 p.m. Dwyer recessed the meeting for a 5-minute break. Dwyer reconvened the meeting at 12:19 p.m.

Cole said the Forestry Commission has done an excellent job over the years and said we have struggled the last 25 or maybe 30 years with having adequate funding to carry out our mission. We have never had a lot of money but we do so much with so little; we have made our dollars go as far as we can.

LITTLE RIVER STATE FOREST UPDATE – Cole explained that as of December 31, 2016, Little River State Park had to be temporarily closed. Iron Men Ministries, who had been managing the park, had good intentions but were never able to generate enough money to maintain the park. He said that when he started to work last September, he learned there was no agreement in place with Iron Men to manage the park. As part of the agreement, they were also required to maintain \$1 million of liability insurance on the park so we had to assume that liability again. Iron Men then informed us they did not want to sign a new lease so we immediately closed and locked the gate and posted that the park is temporarily closed. He said the property consists of a 2,000-acre state forest and probably one thousand acres on each side of Highway 21; one side has developments and the other side does not. The side that is not developed is on the Handicap Hunting Trail in Alabama so we still allow people to use it for that purpose and it is managed by the Alabama Department of Conservation and Natural Resources. Since we are allowing people to use the undeveloped side of the forest, I think we are covered under the deed. We cannot allow people on the park side because we have a \$126,000 bath house that was built about five years ago. We have an office and two wells there so we need to avoid vandalism as much as possible. He said we took the park over in 2004 and at that time Forestry Commission employees were running the park. The budget was \$160,000 per year and we brought in \$50,000 so we had a net loss of about \$110,000 per year. State Forester Linda Casey decided we could not incur that cost and we laid off those employees. The SW Region was running the park when Iron Men had an event there and they decided to they wanted to manage the park until the point when they could no longer afford to do so. He said there is another quasi-government group that has expressed interest in managing the park and Cole said he would talk with their board. He said Mrs. Kier had mentioned that we should have requests for

proposals and agreed saying we can do so and see what we get. Cole stated he did not foresee us making a lot of money off the park. Kier suggested surveying the surrounding municipalities and get their ideas of what they might want to see happening with the park and write an RFP.

Dwyer suggested we do something like the Department of Conservation does with county lakes by leasing them to vendors as a starting point. It was pointed out that the lake is 25 acres. Cole mentioned that the Poarch Creek Indians at one time wanted to buy the park but we could not sell the property due to a reversionary clause. We countered with offering a 99-year lease but they were not interested in that option.

Cole said he will meet with the interested group and develop an RFP. Rouse stated there are different options; for instance, a straight lease or a concessionaire's agreement with vendors. He said we could have multiple concessionaires on the property.

Cole restated that his request is to meet with the interested group and then develop an RFP. Dwyer stated this would be an action item.

HAUSS NURSEY LEASE UPDATE - Rouse updated Commissioners regarding the lease at Hauss Nursey with PRT which is a Canadian company that grows seedlings. He said a lease was finalized in mid-November and they will be operational this year. He informed Commissioners that the initial annual rent is \$30,100 and escalates 3% each year. In negotiating a 10-year lease we have an option of negotiating an additional ten-year lease with the company. He said he believed that PRT will soon want to negotiate the longer lease so they can make additional improvements on the property. If we asked them to accelerate three years of the rent, we are talking about almost \$100,000. Cole suggested that if they would accelerate the lease to 5 years, we would agree to go ahead and add 10 more years to the lease. Saloom suggested that a percentage of their profit instead of the extra lease money in the coming years. May stated that is a good idea or we could accelerate the lease some each year. Rouse stated that we will get \$365,000 from the initial 10-year lease period based on the accelerators in the contract. If we extend the lease to 20 years with the same accelerators, we will earn an additional \$460,000. So over 20 years it will make us over \$800,000 based on the accelerated rents. Saloom said they need us to advertise their longleaf sales. Cole clarified that we will check out the possibilities.

Kier asked to further discuss Little River and collaborate with our partners to use for events for example a demonstration project or other possibilities. Discussion ensued about various possibilities including discussions with the State and Mobile Convention Bureaus to obtain suggestions from them. Cole said he would pursue the possibility of an RFP specifically targeted at trail rides.

FALL FIRE SEASON UPDATE – Goff reported that fires began in September and escalated with September being manageable but much more so in October. The fires were heavy from Montgomery and through the northeast corner of the state. Goff stated that Cole said the cost to the commission \$1.1 million and was the total cost derived from fire reports was \$760,00 which is just for personnel time. Goff said that based just on fire reports, we had 2,198 fires on 29, 533 acres. Actual personnel cost from time on the fires was \$230,000 and the equipment cost was \$530,000 which is the hourly rate charged for bulldozers. He explained that we moved personnel from the southern part of the state and the state office to the north and northeastern portion of the state along with 7 bulldozers.

He stated we had many partners, including the USFS, ALEA, Air National Guard, volunteer fire departments, Georgia Forestry Commission, Alabama A&M Fire Dawgs, Westervelt, Warrior Tractor, State and County EMA's, and the National Weather Service.

Goff reported that from a safety standpoint, there were only six minor injuries.

Dwyer commended the entire Forestry Commission as a whole for doing a great job during this timeframe and all the effort that was made in getting the word out specifically commended the Media Team for their effectiveness saying it was crucial.

Thompson complemented Goff on his report and helps to get a good report and recommended that Goff complete the budget including all costs for fires and then give it to legislators to help with our budget effort. Kier asked that it then be emailed to Commissioners for them to take when talking to Legislators.

STATE FORESTER SELECTION PROCESS UPDATE – Dwyer reported that personal interviews of the top three state forester candidates will be held this Friday, January 20 at our office in Gardendale. The selection committee will then forward their recommendations to Commissioners for a final selection and there will need to be a called meeting. Dwyer asked for suggestions if Commissioners wanted the information sent to them and then schedule a meeting and all Commissioners agreed to this plan. Rouse warned that Commissioners should refrain from discussing the candidates until their open meeting. Dwyer said there were a total of nine applicants.

May told regional foresters that they will make a difference regarding their handling of our budget situation. He warned that training and travel must be tight and Dwyer also said that use of vehicles and trips. May also said that Commissioners need to help and do their part and work with ALFA and AFA. May stated that he did not want to continue to receive any travel or per diem reimbursement with our situation.

DATE AND LOCATION OF NEXT MEETING – Commissioners scheduled the next meeting at 10:00 a.m. on April 11, 2017 at the Commission's State Office.

ADJOURNMENT – There being no further business, Dwyer adjourned the meeting at 1:37 p.m.